

0342.50

EXTENDED MEDICAL ASSISTANCE

REV: ~~06/1998~~09/2006

The Family Support Act of 1988 created a special Medical Assistance program for families in which parents are making the transition from welfare to work. The program was established because of an extraordinary lack of health insurance coverage among employed former welfare beneficiaries. These families are most likely to be uninsured and least able to pay out-of-pocket for medical services. Continuing categorically needy Medical Assistance for up to ~~18~~12 months provides a greater period of health care protection to families with newly employed parents.

Under welfare reform, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) severed the historical link between eligibility for cash assistance -- formerly called Aid to Families with Dependent Children (AFDC) -- and automatic Medical Assistance eligibility. However, Congress also created a new Medical Assistance eligibility category referred to as Section 1931 families. Rhode Island state law mandates that people eligible for cash assistance under the Family Independence Program (FIP) are also eligible for Medical Assistance. While the link between cash assistance and Medical Assistance is broken at the federal level, the income and resource limits for FIP cash assistance and the new MA only category of Section 1931 families are such that family cash assistance remains an automatic door to Medical Assistance eligibility.

Extended MA may be accessed directly from either Section 1931 eligibility or from the cash assistance Family Independence Program (FIP) eligibility.

Families who are eligible for cash assistance and who choose to forgo cash benefits for whatever reason, remain eligible for Medical Assistance under the Section 1931 category. If the family subsequently loses eligibility for reasons related to employment, family members may qualify for extended MA.